PUBLIC RELATIONS IN THE MANAGEMENT OF A MODERN ENTERPRISE

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Summary: Public relations and communications management covers wide range of ideas such as media relations, public affairs, community affairs, product publicity, events management, crisis management, lobbing, investor relations etc. The article presents an overview of modern aspects of public relations, its role in management of an enterprise, including crisis management. The perception of public management and its roles are changing. The enterprises face the challenges such as fast technological changes, developing of international relations and growing global competition. What is also changing is the nature and tools of communication, what influences the public relations management.

Public relations may be a strategic resource which, when appropriately managed, may contribute to effective realization of the strategy of an enterprise. Modern public relations helps to understand the environment of an organization and maintain the relations with groups significant to achieving the strategic goals of an enterprise. What is also important issue for modern public relations is an ethical approach to business and social and environmental responsibility.

The authors of the article mention the main characteristics and challenges of modern public relations and try to highlight its significance to the successful operation of an enterprise.

Keywords: Public relations, Management, Communications, Enterprise

1. Public relations as a form of communication in an organization

Communication processes in organizations are crucial to their effective functioning. Thanks to the processes of communication such functions are realized in managing an organization as: planning, organizing, motivating and controlling (Stankiewicz 1998). Good company management requires highly developed communication skills, both on the individual as well as on the organizational level. One of the most important form of company's communication processes is public relations.

There are numerous definitions of what public relation is. The Encyclopedia of Public Relations provides us with general description: "public relations is a set of management, supervisory, and technical functions that foster an organization's ability to strategically listen to, appreciate, and respond to those persons whose mutually beneficial relationships with the organization are necessary if it is to achieve its mission and vision" (ed. Heath 2005).

It may also be defined as a management communication function, which enables a company to "adopt to the environment, changing the environment or maintaining the status quo, providing that the aims of an organization are reached" (Kunczik 1993). Treating Public Management as a form of communication, one can enumerate its main communication functions: selection of information, presentation of information, performing a role of a mediator, being a leader of public opinion (Goban-Klas 1997).

One can distinguish also two general ways of defining PR: it refers to the process of shaping mutual relationships between people in various social situations especially in the political, social and economical life and what is more, it refers to the set of actions of the interdisciplinary, knowledge-requiring nature and covering a number of areas (media-

relations, strategy counseling, crisis and image management etc) (Bsoul, 2010). It can be divided into internal public relations (the public are the members of an organization) and external public relations (the public are various stakeholders outside an organization) (Bsoul, 2005).

The conceptualization of the term public relations often perceive it as a continuous activity connected with an organization's relations with the public: "public relations is a planned, continuous activity, conducted with taking into consideration the results of actions. It means conveying by the company specially prepared various forms of information in order to create its desirable image in the environment of the company, which enables better integration with the environment and facilitates the realization of the main goals of a company. This activity may be conducted by other organizations, including the those profit-oriented" (Goban-Klas, Kadracic & Czarnowski, 1997).

Before the 20th century there were several specializations which later evolved into a structured phenomenon of public relations. These specializations now are treated as functions of the public management. Each public management function is characterized by special set of objectives, they aim at building and maintaining as well as fixing relations with various audiences. The most typical specializations and also functions are: corporate communication, media relations, investor relations, community relations, issues management, employee relations, donor relations, government relations and strategic philanthropy (ed. Heath 2005).

Every function of public management is a form of a dialogue with public, so it has to take into consideration the feedback from the public and be prepared for the cooperation with many stakeholders.

2. Public relations as a way for dialogue with the publics

The communication form such as public relations is not simple and uniform due to the fact that it has many different audiences. Not only does it have to justify organization's activity to shareholders, but also to customers, employees, public opinion, government, financial groups and media. The character of the message should be adapted to the particular environment. Public relations programme which aims at engaging in the dialogue with different public should take into consideration and analyse the stakeholder specificity. The goals and obligations in public relations depend on the kind of stakeholders it turns to. Table 1 presents main responsibilities of public management directed to different audiences.

Table 1: Stakeholders' responsibilities

Stakeholder	Responsibilities	
Customers	Economic issues	profitability, competitive products, survival of the company, product quality
	Ethical issues	Honesty, the best possible products and services, satisfy customer needs
	Voluntary issues	Long-term business, function development
Employees	Economic issues	Work and income
	Legal issues	Cooperation, following the regulations in dismissal situations
	Ethical issues	Good working conditions, stability and security, developing possibilities, honesty
	Voluntary issues	Education, supporting activity and interests
Competitors	Ethical issues	Truthful information, fair marketing and fair pricing practices, no use of questionable consistency and stability, playing the game by the rules
	Voluntary issues	Good relations, cooperation in industry-related issues

Owners	Economic issues	Return on assets/investments, securing investments, maximizing cash flow, solvency, profits
	Ethical issues	Adequate information
Suppliers	Economic issues	Volumes profitability
	Ethical issues	honesty
	Voluntary issues	Sustainable and reliable long-term relations
Community	Economic issues	Taxes employment, influence on trade balance
	Legal issues	Following laws and regulations
	Ethical issues	Behaving with integrity
	Voluntary issues	Supporting local activities
Government	Economic issues	Taxes employment, influence on trade balance
	Legal issues	Following laws and regulations
	Ethical issues	Behaving with integrity
	Voluntary issues	Supporting local activities
Financial groups	Economic issues	Profitability, security of investment
	Ethical issues	Adequate information
The environment (e.g. pressure groups)	Legal issues	Compliance with environmental regulations
	Ethical issues	Environmental friendliness, protecting the environment, product recycling
	Voluntary issues	Proactive environmental management
Old and new media, e.g. press, TV, web	Legal issues	Compliance with the law
	General issues	Compliance with guidelines, codes of conduct and ethics statement
	Voluntary issues	Internal web pages and chat rooms

Source: Olivier S. (2010): *Public relations strategy*, Kogan Page, London, pp 17-18.

The next essential aspect of public relations activity is planning. The process of planning is structured and based on several key issues. The fundamental aspects are the answers to six main questions, which the public relations managers are obliged to find the answers:

- "What is the problem? (researching the issue)
- What does the plan seek to achieve? (what are the objectives)
- Who should be talked to? (with which publics should a relationship be developed)
- What should be said? (what is the content or message)
- How should the message be communicated? (what channels should be used for dissemination)
- How is success to be judged? (how will the work be evaluated against the objectives)" (ed. Tench, Yeomans 2006).

Public relations activity is especially important during the situations of crisis. A situation of crisis may be defined as: "usually sudden and unexpected, undesirable event, destabilizing the balance of a company and being a threat for a certain field of its activity" (Smektała 2005). Mitroff enumerates the most frequent types of crisis according to the source of the problem:

1. External economic problems (bribery, boycott, extortion, acquisition of assets (also against the will of the owner)
2. External informational problems (loss of data, forgery false rumors personal data breach)
3. Professional factors (health and diseases)
4. Breaks in work (removal from a post, failures, product defects, errors of operators, low level of safety)
5. Human resources (low morale, takeover of the executive power by the succesor)
6. Visible damage (false rumours, slander, calumny)
7. Damage on a large scale (accidents, damage to the environment)

8. Psychopathology (illegal copying, tampering within the company and outside the company, sexual harassment, false rumours, hijacking high official) (Smektała 2005).

Public relations is an essential form of communication in modern companies. Nowadays, in the times of fast technological and economical changes the dialogue with publics which are important for existing the company is crucial. In the Internet era the preventing and immediate responding to the unexpected problems is obligatory for every company which aims at being competitive on the market. There are many publics to maintain relationships with and many problems to face so the good public relations manager has to be prepared for every situation.

3. Conclusions

In modern fast changing market environment effective management need highly developed communication skills, both on the individual and on the organizational level. The crucial company's communication process is public relations: the internal and external one. Modern enterprises in order to survive on the market and stay competitive has got to combine economic issues with ethical issues and build relationships with many different audiences. Good use of communication is essential for obtaining a company's strategic objectives. Global business environment, technological changes demand from companies to operate responsibly, maintain relationships with public and react to the crisis as fast as it is possible.

The good external strategy of communication contributes to a effective activity of a company and to preventing problems from occurring or dealing with them successfully. Internal communication (with employees) help the members of an organization to be more efficient and effective in service or production. Moreover, the public relation tools and solutions are necessary in crisis situations, which are sudden and unexpected. Crisis management enables the company to have the planned and organized ways to react to the problems using its resources the most effective way.

Modern digital media and communication based on the use of Internet changes the ways and forms of communication. Creating and maintaining the desired image of a company and relationships with the environment require monitoring the online activity of audiences and immediate reacting to the problems or competitors' activity. It becomes more and more complex and difficult to maintain effective public relations activity nowadays than it has been before.

It is advisable to if not appoint special public relation department or a manager responsible for the public relations, then to use the services of a public relations consultancy. It will bring benefits which most probably exceed the costs incurred for the public relations activity. Otherwise, the company may have bad or inconsistent relationships with the environment and miss the opportunities and benefits which result from conducting the effective public relations activity or will bear unpredictable costs of occurring crises.

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